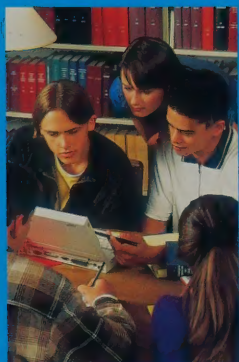
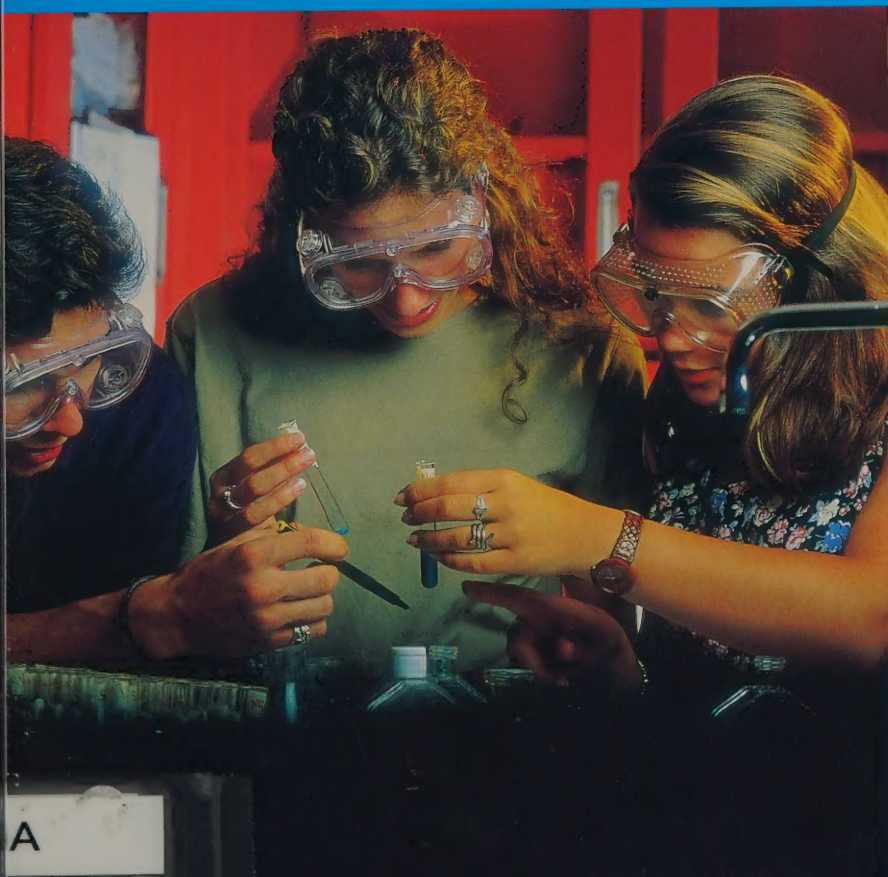


The Learning Age



# *Higher Education* for the **21<sup>ST</sup>** Century

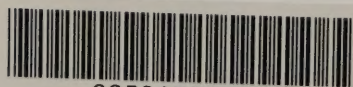
*Response to the Dearing Report*



**DfEE**

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Education and Employment

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## Foreword

In July 1997 the Government announced its interim response to the report of the National Committee of Inquiry into Higher Education chaired by Sir Ron (now Lord) Dearing, which was set up with all party support by the outgoing Government.

We repeat here the appreciation and thanks to the Committee and all those who participated in what was a seminal report providing us with the basis for moving forward into a new era of funding and development for higher education and its relationship with lifelong learning as a whole.

In order to avoid uncertainty, unproductive speculation, and potential dislocation of necessary future funding, the Government responded immediately to the Committee's recommendations about the shared responsibility of the student and the state for the funding of higher education and for the freeing of resources for further investment, access and expansion.

By responding in this way, it has been possible to bring forward the Teaching and Higher Education Bill in this session of Parliament and therefore to ensure that new arrangements can be brought into place from this Autumn and additional resources provided for 1998-99, a year earlier than would otherwise have been the case. We are grateful to everyone who has made this possible and who has co-operated in ensuring that the new arrangements can be in place on time.

In today's publication we respond as promised to other aspects of the Dearing Report not dealt with in the statement to the House in July or in subsequent clarifications relating to the new structure of funding and student maintenance.

We do so in the context of our Green Paper on Lifelong Learning which is being published today in England<sup>1</sup>. This sets out our vision of the future development of the knowledge based economy and investment in human capital which will place the United Kingdom at the cutting edge of world economic change in the new Millennium. The modernisation and updating of our higher and further education systems is an essential prerequisite in ensuring that we can meet that challenge, make that investment and contribute to both economic prosperity and social cohesion.

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<sup>1</sup> Separate documents will be issued on the lifelong learning agenda in Scotland and Wales. A consultative process will be undertaken in Northern Ireland on the issues raised.

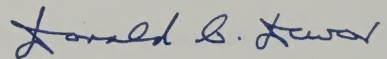
We are embarking on a new era in which old divides are broken down and access is opened up to those who previously had no expectation of returning to learn. Already over half of those in higher education are mature students and over a third are part-timers.

Our proposals for greater equity, access and accountability build on the work of the Dearing Committee and their acceptance of the critical part higher and further education will play in the future success of our country.

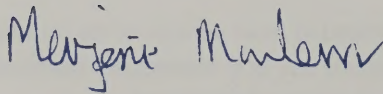
We are responding separately to the report of Sir Ron Garrick, who chaired the Scottish Committee, and to the report of Helena Kennedy, *Learning Works*.



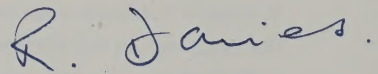
David Blunkett  
Secretary of State for Education and Employment



Donald Dewar  
Secretary of State for Scotland



Marjorie Mowlam  
Secretary of State for Northern Ireland



Ron Davies  
Secretary of State for Wales

25 February 1998

# Introduction

1. The Report of the National Committee of Inquiry into Higher Education, *Higher Education in the Learning Society*, set a wide-ranging agenda for the development of higher education into the 21st century. The comments from the many interested organisations and people who submitted their views on the Report reflect a general consensus on the need to work through this agenda. This document is intended to bring together in a comprehensive statement the Government's response to those recommendations addressed to it and a position report on those recommendations addressed to other bodies.
2. This response is being published in parallel with the Green Paper *The Learning Age*<sup>1</sup>. On current participation rates, 60 per cent of school leavers can expect to enter higher education at some time in their lives. The Government sees higher education playing a key role in lifelong learning and wants to see it making an even bigger contribution in future by:
  - increasing and widening participation, particularly from groups who are under-represented in higher education, including people with disabilities and young people from semi-skilled or unskilled family backgrounds and from disadvantaged localities;
  - offering opportunities later in life to those who missed out first time round;
  - increasing its contribution to the economy and its responsiveness to the needs of business;
  - collaborating more closely and effectively with other institutions and with the world of work;
  - exploiting new technology and flexible delivery so as to make itself more accessible and ensuring that maximum use is made of its facilities through longer opening hours.
3. This is a challenging agenda. Universities and colleges, employers and employees, the private sector and Government will all need to work together to create a learning society in which many more people can benefit from world class education and training.

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<sup>1</sup> The Secretaries of State for Scotland and for Wales will be issuing their own documents on the lifelong learning agenda in those countries. In Northern Ireland Ministers will undertake a consultative process on the issues raised.

4. The Committee set out a vision of a world class higher education system combining rigour and economic relevance. At the heart of this vision is the idea of a compact between universities and colleges, individual students, the world of work and society itself. The Government shares the Committee's vision, which was widely supported in the many responses to the consultation on the Report.
5. Higher education is an investment in our future. The Government has already taken difficult decisions to reform the funding of higher education in order to ensure that universities and colleges can continue to offer high quality learning, teaching and research. Proposals for new funding arrangements, designed to address the severe funding problems facing higher education, were set out in the Government's initial response to the Committee's Report on the day of its publication, 23 July 1997. The Teaching and Higher Education Bill, currently before Parliament, will give effect to these proposals. These build on the Committee's proposals and on the proposals in the Labour Party's evidence to the Committee, *Lifelong Learning*, and the Government's manifesto.
6. The new funding arrangements are based on the principle that the costs of higher education should be shared between those who benefit. But the Government has introduced important safeguards. There will be no contribution to tuition fees from students from lower income families; and there will be no increase in parental contributions from middle and higher income families. Students will have access to money to help with living costs when they need it. Repayments after graduation will be fairer and easier to manage than under the current scheme.
7. These new funding arrangements will mean more money for universities; and the Government will ensure that savings are used to improve quality, standards and opportunities for all in further and higher education. As evidence of its commitment to fulfil that pledge, the Government has already announced extra funds for higher education for 1998-99 in England, Scotland, Wales and Northern Ireland. These will ensure that generally across the UK the reduction in the unit of funding for higher education will be limited to 1%, thus meeting the Dearing Committee's priority for additional funding. The Government is committed to maintaining and improving quality in higher education, as well as widening access.

8. Where the Committee's recommendations have funding implications beyond 1998-99, in particular on increasing participation and on research funding, the Government will announce decisions as soon as possible in the light of the outcome of the current Comprehensive Spending Review.
9. The response published today addresses all 93 of the Committee's recommendations, including recommendations on learning and teaching, quality and standards, research and links to the economy.
10. The Government wants to emphasise the following points:
  - The Government is committed to the principle that anyone who has the capability for higher education should have the opportunity to benefit from it and will therefore lift the cap on student plans imposed by the last government.
  - The Government will monitor the impact of the new arrangements to ensure that its policies for increasing participation and widening access are working.
  - The Government sees the new Institute for Learning and Teaching in Higher Education to be established by the HE sector as having a key role to play in enhancing the professional skills and status of teachers in higher education and spreading good teaching practice more widely. The Government's long-term aim is to see all teachers in higher education carry a professional qualification.
  - The Government will invite the Institute, when established, to consider organising a national scheme to make more widely available the lectures of outstanding teachers on film, video or via broadcasting.
  - The Government welcomes the Committee's emphasis on driving up quality and standards. The Quality Assurance Agency will be working with the higher education sector to define and verify standards; create a pool of recognised external examiners; and publish codes of practice for every institution to adopt.
  - The Government attaches great importance to a fair deal for students, and better information for student choice, and will be bringing together all concerned to establish what information is needed and should be available on higher education courses, their quality and standards, costs and benefits.
  - The Government is committed to maintaining a world class science base and to promoting high quality research.
11. In addition to its 93 recommendations, the Dearing Report contained a considerable number of other proposals. It has not been possible in this document to comment on all of them. The Government shares the Committee's hope that all concerned will follow up the many proposals which did not find their way into specific recommendations.

- 12.** As well as developing their local, regional and national roles, the Government wants to encourage universities and colleges to measure themselves against international standards and develop international partnerships. There are exciting opportunities both within the EU and further afield for universities and colleges to build on international links to enrich the programmes they offer their students and increase the effectiveness of their graduates in the labour market. Moreover, higher education has made a considerable contribution to the UK's export achievements, and the Government expects that it will continue to do so.
- 13.** This document covers the whole of the UK. Where the Dearing Committee made recommendations specific to Scotland and Northern Ireland in the main body of its Report, these are addressed in the document. In addition, a Government response is being published in parallel to all of the recommendations of the Scottish (Garrick) Committee.

# Summary

## Chapter 1: Increasing Participation and Widening Access

Increasing opportunities for people to learn and widening access are at the heart of this Government's policies for creating a learning society. The Government is committed to the principle that anyone who has the capability for higher education should have the opportunity to benefit from it and we will therefore lift the cap on student plans imposed by the last government. Our priority is to reach out and include those who have been under-represented in higher education, including young people from semi-skilled or unskilled family backgrounds and from disadvantaged localities, and people with disabilities.

Recommendations 1, 2, 3, 4, 5 (part), 6, 7, 67 (part), 76 (part) page 11

## Chapter 2: Helping Students to make Informed Choices

In order to make the most of the opportunities on offer, students need the best possible information on which to base their choice of course, institution and careers. The Government will work closely with the higher education sector, its representatives and interested parties to assist them to improve the services and information which make for informed student choice.

Recommendations 10, 11, 12, 17, 85 page 16

## Chapter 3: Learning and Teaching

A better balance is needed in higher education between teaching, research and scholarship. The Government aims to encourage strategies that promote effective learning and teaching and enhance the professional skills and status of teachers.

Recommendations 8, 13, 14, 15, 16, 20, 21, 87 page 19

## Chapter 4: Quality and Standards

Quality and standards underpin all forms of learning. Learners at all levels and at all stages of their lives should be able to rely on the very best provision, wherever and whatever they study. The Government welcomes the emphasis the Committee has placed on these issues and endorses the Committee's view that the higher education sector as a whole should retain responsibility for the definition and setting of standards, including a thorough reinvigoration of the external examiner system, and especially at the threshold level.

Recommendations 22, 23, 24, 25, 26, 69

page 24

## Chapter 5: Research

The Government is committed to maintaining a world class science base. It recognises the strains on the dual support system and has provided extra funding to enable universities to make a start on meeting urgent infrastructure and equipment needs for teaching and research in 1998-99. The position for future years is being considered in the context of the Comprehensive Spending Review.

Recommendations 29, 30, 31, 32, 33, 34, 35, 52, 75

page 28

## Chapter 6: Higher Education's links to the Economy and Employability

Higher education has a key contribution to make to competitiveness and prosperity. The Government accepts, and is already taking action on, the Committee's recommendations to enhance HE's economic impact. It is backing this positive response with some £7.8m over the next two years to support national development projects, plus £3m in 1998-99 to promote initiatives at regional and local levels.

Recommendations 18, 19, 36, 37, 38, 39, 40

page 34

## Chapter 7: Communications and Information Technology

Communications and information technology offers opportunities to increase the effectiveness of learning and to provide improved access to higher education. All those concerned with the delivery of higher education have a responsibility to seek to ensure that the benefits of communications and information technology are exploited as fully as possible.

Recommendations 9, 27, 28, 41, 42, 43, 44, 45, 46, 53

page 38

## Chapter 8: Staff in Higher Education

The Government's long-term aim is that all teachers in higher education should carry a professional qualification. It welcomes the proposed Institute for Learning and Teaching in Higher Education, as an important step towards the achievement of that aim.

Recommendations 13, 47, 48, 49, 50, 51

page 43

## Chapter 9: Institutional Governance, Management and Titles

The Government agrees with the Dearing Committee that the quality and effectiveness of higher education institutions' management and governance is and will continue to be very important, as will their accountability to their public for performance and responsiveness. Further, in the interests of public understanding, there needs to be more clarity and consistency in the use of institutional titles and names.

Recommendations 54, 55, 56, 57, 58, 59, 60, 62, 63, 64, 65, 66

page 46

## Chapter 10: Funding Higher Education

The new funding arrangements announced on 23 July 1997 are designed to provide the extra money needed to maintain and improve quality and increase access to higher education. They are based on the principle underlying the Dearing Committee's recommendations that those who benefit from higher education should share the cost, while recognising the need to widen access particularly for students from lower income families.

Recommendations 5 (part), 61, 67 (part), 68, 70, 71, 72, 73, 74, 75 (part), 76 (part), 77, 78, 79, 80, 82, 83, 84, 86, 88

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## **Chapter 11: Scotland and Northern Ireland**

The recommendations of the Scottish (Garrick) Committee are the subject of a separate, parallel, Government response.

The Government fully supports the development of a strong regional role by higher education institutions in Northern Ireland and is exploring further the merits of establishing a funding council or councils in Northern Ireland, and the concept of a Tertiary Education Forum.

Recommendations 81, 89, 90, 91, 92, 93

page 61

# Chapter 1

## Increasing Participation and Widening Access

*Increasing opportunities for people to learn and widening access are at the heart of this Government's policies for creating a learning society. The Government is committed to the principle that anyone who has the capability for higher education should have the opportunity to benefit from it and we will therefore lift the cap on student plans imposed by the last government. Our priority is to reach out and include those who have been under-represented in higher education, including young people from semi-skilled or unskilled family backgrounds and from disadvantaged localities, and people with disabilities.*

### Recommendations

1, 2, 3, 4, 5 (part), 6, 7, 67 (part), 76 (part)

### Increasing Participation

#### Recommendation 1:

*We recommend to the Government that it should have a long term strategic aim of responding to increased demand for higher education, much of which we expect to be at sub-degree level; and that to this end, the cap on full-time undergraduate places should be lifted over the next two to three years and the cap on full-time sub-degree places should be lifted immediately.*

- 1.1** The Government recognises the importance of responding to increased demand for higher education in order to meet the needs of both individuals and the economy. In response to the Committee's recommendation that the cap on full-time sub-degree courses should be lifted immediately, the funding package for higher education in England announced on 23 September 1997 included £4m to enable a start to be made on resuming growth at sub-degree level, mainly in further education colleges. In Scotland, where around 40% of higher education provision is at sub-degree level, the cap on full-time sub-degree courses in further education colleges has already been partially lifted. Student numbers are also being increased in Wales, where the Higher Education Funding Council has been asked to take account of local needs in expanding

provision for sub-degree programmes, mainly in FE institutions. In Northern Ireland the scope for an increase will be examined in spring 1998.

- 1.2** The Government's aim for later years is to enable more people to progress to higher education, as the Committee recommended, while maintaining and improving the quality of the higher education on offer. The Government remains committed to the principle that anyone who has the capability for higher education should have the opportunity to benefit from it. The role of universities and colleges in lifelong learning will be reinforced by lifting the present cap on numbers. The additional numbers in higher education, which will increase participation by mature students and young people, will make it possible both to meet the expected demand from young people and to widen access to higher education. The Committee expected much of the increased demand for higher education to be at sub-degree level and the Government is considering the implications for the future pattern of provision.

## Widening Access

### **Recommendation 2:**

*We recommend to the Government and the Funding Bodies that, when allocating funds for the expansion of higher education, they give priority to those institutions which can demonstrate a commitment to widening participation, and have in place a participation strategy, a mechanism for monitoring progress, and provision for review by the governing body of achievement.*

- 1.3** In accordance with this recommendation, the Higher Education Funding Councils for England and Wales have been asked in their grant letters for 1998-99 to give priority in funding additional places to those institutions which can demonstrate a commitment to widening access. The Scottish Office guidance letter to the Scottish Higher Education Funding Council asked it to consider the additional costs to institutions of wider access policies and the funding of special initiatives in Scotland; and to undertake a survey of wider access in Scotland and to work with partners in developing a national strategy. The Government will monitor the impact of its policies for widening access.

### **Recommendation 3:**

*We recommend that, with immediate effect, the bodies responsible for funding further and higher education in each part of the UK collaborate and fund – possibly jointly – projects designed to address low expectations and achievement and to promote progression to higher education.*

#### **Recommendation 4:**

*We recommend that the Funding Bodies consider financing, over the next two to three years, pilot projects which allocate additional funds to institutions which enrol students from particularly disadvantaged localities.*

- 1.4** The Government supports these recommendations. The more our schools strategy succeeds in boosting educational attainment, the better the chances for all social groups to enter higher education. The Government intends to encourage better links between schools in disadvantaged areas and universities or colleges, so that young people from families without a background of higher education have more support and encouragement to stay in education after 16. It welcomes the work by the National Union of Students, along with other student groups, on mentoring arrangements, as a way of promoting access to higher education.
- 1.5** In England the Higher and Further Education Funding Councils will work together to develop and launch suitable joint projects. The HEFCE has allocated £2m in 1998/99 and £4m in 1999/2000 to support widening access and participation projects. In Wales the Higher Education Funding Council has been asked to set aside £1m to provide funding to encourage collaboration and strengthen links between the further and higher education sectors, to promote access, and to develop “community universities” as part of the Government’s lifelong learning agenda.

#### **Recommendation 5 (part):**

*We recommend to the Government that:*

- *the total available to institutions for Access Funds should be doubled with effect from 1998/99 and that the scope of the funds should be extended to facilitate participation by students who would otherwise be unable to enter higher education.*

#### **Recommendation 76 (part):**

*We recommend to the Government that:*

- *it should extend eligibility for Access Fund payments to part-time students from 1998/99, and additional funding should be made available for this purpose.*

- 1.6** The funding available for Higher Education Access Funds in 1998/99 will be doubled and eligibility will be extended to part-time students. The Government believes that the Funds’ priority should continue to be to help students in difficulty with their living costs, but agrees that in certain circumstances the Funds could be used to facilitate participation by those who would otherwise be deterred from entering higher education.

The eligibility criteria for the use of the Funds are currently being revised, in consultation with the Higher Education Funding Councils, the National Union of Students and others. The Students Awards Agency for Scotland will consider the Scottish Committee's recommendation that access funds should be distributed to institutions on the basis of student need. The other parts of both these recommendations are addressed in Chapter 10.

### **Recommendation 6:**

*We recommend:*

- *to the Funding Bodies that they provide funding for institutions to provide learning support for students with disabilities;*
- *to the Institute for Learning and Teaching in Higher Education (see Recommendation 14) that it includes the learning needs of students with disabilities in its research, programme accreditation and advisory activities;*
- *to the Government that it extends the scope of the Disabled Students Allowance so that it is available without a parental means test and to part-time students, postgraduate students and those who have become disabled who wish to obtain a second higher education qualification.*

- 1.7 The Higher Education Funding Councils have been asked to continue to have regard to the needs of people with disabilities and the need to fund institutions to provide learning support for people with disabilities. The Government would expect the Institute for Learning and Teaching in Higher Education, once established, to address the particular needs of students with disabilities in all aspects of its work. The ending of means-testing of the Disabled Students' Allowance for full-time students was announced in September 1997. The position of disabled part-time students, postgraduates and those wishing to obtain a second qualification is still under consideration.

## **Sub-degree courses**

### **Recommendation 67:**

*We recommend to the Government and the Funding Bodies that, in the medium term, priority in growth in sub-degree provision should be accorded to further education colleges; and that, wherever possible:*

- *more sub-degree provision should take place in further education colleges;*

- higher education provision in further education colleges should be funded directly;
- there should be no growth in degree level qualifications offered by further education colleges.

1.8 The Government accepts that growth in sub-degree provision should take place mainly in further education colleges, although it would expect much existing provision in higher education institutions to be maintained and, in some cases, expanded. The Government also accepts generally that there should not be significant growth in degree level qualifications offered by further education colleges. The middle part of this recommendation on direct funding of HE provision in FE colleges is addressed in Chapter 10, para 10.22.

## A new framework for student data

### Recommendation 7:

*We recommend that further work is done over the medium term, by the further and higher education Funding Bodies, the Higher Education Statistics Agency and relevant government departments to address the creation of a framework for data about lifelong learning, using a unique student record number.*

1.9 The Education Departments will work with other relevant Government Departments and funding bodies and the Higher Education Statistics Agency on the development of a framework for data about lifelong learning. The DfEE's consultation paper on proposed arrangements for collecting statistical information from schools issued in December 1997 suggested that the proposed system of unique pupil numbers (including the existing Scottish candidate number) might have a part to play in the development of such a data framework. The Welsh Office will be consulting separately during 1998 on the collection of statistical information from schools in Wales.

## Chapter 2

# Helping Students to make Informed Choices

*In order to make the most of the opportunities on offer, students need the best possible information on which to base their choice of course, institution and careers. The Government will work closely with the higher education sector, its representatives and interested parties to assist them to improve the services and information which make for informed student choice.*

### Recommendations

10, 11, 12, 17, 85

## Admission to HE

### Recommendation 10:

*We recommend that, over the medium term, the representative bodies, in consultation with other relevant agencies, should seek to establish a post-qualification admissions system.*

- 2.1** The Government agrees that students could make better choices if higher education institutions moved to admitting them on the basis of their actual rather than their predicted school leaving exam results. The Education Departments look forward to being involved in the higher education sector's consideration of whether this is feasible, bearing in mind exam timetables in all parts of the UK.

### Recommendation 17:

*We recommend to institutions of higher education that, over the medium term, their admission procedures should develop to value good levels of competence in communication, numeracy and the practical use of information technology.*

- 2.2** Though admissions are a matter for individual higher education institutions, the Government welcomes this recommendation. DfEE has already provided financial support for development work on a Student Profile which will become part of the Electronic Application System for use by admissions officers.
-

## Educational and careers guidance

### **Recommendation 11:**

*We recommend that:*

- *institutions of higher education, over the medium term, integrate their careers services more fully into academic affairs and that the provision of careers education and guidance is reviewed periodically by the Quality Assurance Agency;*
- *the Government, in the medium to long term, should integrate careers advice for lifelong learning, to complement services based inside higher education institutions.*

- 2.3** Good careers education and guidance are vital in helping people to choose the courses and careers which are right for them and to maximise their opportunities. What is provided within higher education will be reviewed periodically by the Quality Assurance Agency. In addition the Government will be addressing, with interested parties, the scope for closer working between careers services within and outside higher education.

## Student services and identifying what further information is needed

### **Recommendation 12:**

*We recommend to students' unions and institutions that they review, on a regular basis, the services offered to their students and adapt them as necessary, in particular to meet the needs of part-time students.*

- 2.4** The Government supports this recommendation inviting institutions and student unions to review and, if necessary, adapt the services they offer to all types of students.

### **Recommendation 85:**

*We recommend to the Government that, with immediate effect, it brings together the representative bodies of students, schools, colleges, higher education institutions and the organisations offering careers services to identify what better information is needed by students about higher education opportunities, their costs and benefits; and to work together to improve timely dissemination of the information.*

- 2.5** The Government will be taking the lead on this recommendation by bringing together representative bodies and others in a working group to research students' information needs and establish where improvements can be made and how information can be

better disseminated. The aim will be to ensure that students have the fullest available information on higher education opportunities, costs and benefits as a basis for making choices.

# Chapter 3

## Learning and Teaching

*A better balance is needed in higher education between teaching, research and scholarship. The Government aims to encourage strategies that promote effective learning and teaching and enhance the professional skills and status of teachers.*

### Recommendations

8, 13, 14, 15, 16, 20, 21, 87

### Learning and teaching strategies

#### Recommendation 8:

*We recommend that, with immediate effect, all institutions of higher education give high priority to developing and implementing learning and teaching strategies which focus on the promotion of students' learning.*

- 3.1** The grant letters to the Higher Education Funding Councils for England and Wales for 1998-99 asked them to encourage institutions to give high priority to developing and implementing learning and teaching strategies which focus on the promotion of students' learning. The Scottish Office will be asking the Higher Education Funding Council for Scotland to give similar encouragement. The Department for Northern Ireland will, through its funding letter to universities, promote a similar approach. The Government will monitor progress made in this area to assure the quality of teaching, the maintenance and raising of standards, and the way that institutions respond to national policy. The Government will therefore take forward within five years, with the appropriate agencies and institutions, a review of progress made and further steps required.

### Institute for Learning and Teaching in HE

#### Recommendation 13:

*We recommend that institutions of higher education begin immediately to develop or seek access to programmes for teacher training of their staff, if they do not have them, and that all institutions seek national accreditation of such programmes from the Institute for Learning and Teaching in Higher Education.*

### **Recommendation 14:**

*We recommend that the representative bodies, in consultation with the Funding Bodies, should immediately establish a professional Institute for Learning and Teaching in Higher Education. The functions of the Institute would be to accredit programmes of training for higher education teachers; to commission research and development in learning and teaching practices; and to stimulate innovation.*

### **Recommendation 15:**

*We recommend that the Institute should:*

- *develop, over the medium term, a system of kitemarking to identify good computer-based learning materials;*
- *co-ordinate the national development, over the medium and long term, of computer-based learning materials, and manage initiatives to develop such materials;*
- *facilitate discussion between all relevant interest groups on promoting the development of computer-based materials to provide common units or modules, particularly for the early undergraduate years.*

- 3.2** The Government sees a need to ensure high standards and build on the professional status of teachers in higher education and agrees that the key to achieving this will be a suitably constituted new Institute for Learning and Teaching in Higher Education, which on current plans will be established by the HE sector in September 1998 (*Recommendation 14*). As the Dearing Committee proposed, the Institute should accredit programmes of training for higher education teachers, commission research and development into effective learning and teaching practice at all levels, and stimulate innovation. The Institute should work in partnership on matters of common interest with other bodies including the Teacher Training Agency, the General Teaching Council and the Quality Assurance Agency for Higher Education.
- 3.3** The Government agrees that all universities and colleges should develop or have access to programmes for teacher training for their staff, and that they should seek accreditation of such programmes from the Institute (*Recommendation 13*). The training of staff is addressed more fully in Chapter 8, paras 8.1-8.3 below. The Government welcomes the work being done by the representative and other bodies in higher education to set up the Institute and agrees that the Institute should have a role in kitemarking and developing good computer-based learning and teaching materials for higher education (*Recommendation 15*).

- 3.4** One important way of improving the quality of teaching is to make available more widely the teaching of outstanding teachers. While most teaching in higher education will continue to be done by local teachers, students should also have the chance of hearing outstanding lecturers from elsewhere eg on film, video or via broadcasting. Of course, there can be no question of simply replacing live teachers by packaged ones, although in some cases quality can be enhanced by making available the lectures of outstanding teachers supported by classes given by local teachers. Nor can there be any central imposition of teaching material. All that can be done centrally is to promote the availability of good material from which each university or college can choose. With this in mind, the Government intends to invite the Institute for Learning and Teaching in Higher Education, when established, to review this issue and consider organising a national scheme. The Committee's recommendations on Communications and Information Technology are addressed in Chapter 7 below.

## Breadth and depth of programmes

### **Recommendation 16:**

*We recommend that all institutions of higher education should, over the medium term, review the programmes they offer:*

- *with a view to securing a better balance between breadth and depth across programmes than currently exists;*
- *so that all undergraduate programmes include sufficient breadth to enable specialists to understand their specialism within its context.*

- 3.5** The Government endorses the Committee's request to institutions to review their programmes of study to take account of the changing needs of students and employers, and to consider whether those programmes have the right balance of breadth and depth. The Committee's recommendations on work experience (*Recommendations 18 and 19*) will assist in helping students to acquire the key skills needed for employability. These recommendations are addressed in Chapter 6, para 6.6.

## Skills and programme specifications

### **Recommendation 21:**

*We recommend that institutions of higher education begin immediately to develop, for each programme they offer, a 'programme specification' which identifies potential stopping-off points and gives the intended outcomes of the programme in terms of:*

- *the knowledge and understanding that a student will be expected to have upon completion;*
- *key skills: communication, numeracy, the use of information technology and learning how to learn;*
- *cognitive skills, such as an understanding of methodologies or ability in critical analysis;*
- *subject specific skills, such as laboratory skills.*

- 3.6** The Government endorses the Committee's call for institutions to develop "programme specifications" which spell out the intended outcomes of each programme in terms of knowledge, understanding and skills, and the possible points along the way at which a student can stop off and get credit for what has been attained. Key or core skills, cognitive skills and subject-specific skills should all be specified, particularly those most relevant to future employability. The Quality Assurance Agency will have a role in providing guidance to institutions. DfEE is funding – through the Higher Education and Employment Development Prospectus – 10 projects at a cost of £1.6m to look at ways of developing students' employability skills.

## Assessing and recording student achievement

### **Recommendation 20:**

*We recommend that institutions of higher education, over the medium term, develop a Progress File. The File should consist of two elements:*

- *a transcript recording student achievement which should follow a common format devised by institutions collectively through their representative bodies;*
- *a means by which students can monitor, build and reflect upon their personal development.*

- 3.7** The Government welcomes the Committee's recommendation and would encourage the higher education representative bodies to agree soon a common format for Progress Files and, with the assistance of the Quality Assurance Agency, develop a document which provides the information required by employers and dovetails with records of earlier learning achievement. DfEE is already supporting, through the Higher Education and Employment Development Prospectus, six projects costing £1m to develop innovative models for recording student achievement.

## Teacher education

### **Recommendation 87:**

*We recommend to the Government that the Teacher Training Agency continue its remit in respect of teacher training in England but that the respective responsibilities of the Higher Education Funding Council for England and the Teacher Training Agency are reviewed in drawing up proposals for the role of a General Teaching Council.*

- 3.8** While the lead funding agency responsibility for teacher training in England will continue to rest with the Teacher Training Agency, the Government shares the Committee's view that the Teacher Training Agency and the HEFCE should work closely together on issues of mutual interest or concern. Grant letters sent to both bodies in November 1997 stressed the need for their continued co-operation on questions of student numbers and funding. The Government looks to the two bodies to co-operate to ensure that its policies on higher education are delivered. In taking forward its proposals for a General Teaching Council, which are currently before Parliament, the Government will look to all the interested bodies to work closely together.

## Sir Stewart Sutherland's Report

- 3.9** The Government is determined that the HE sector should be fully involved in developing the very best in teacher training and continuing professional support and has welcomed the effort which went into the Sutherland Report into teacher training. Many of the recommendations in that Report were in line with what was said regarding teacher training in England in the remit letter to the Teacher Training Agency. The DfEE published in November 1997 an explanatory paper on how it forecasts future teacher training requirements, *Teacher Supply and Demand Modelling*, as recommended by the Sutherland Report. The Scottish Office responded fully on 3 February to the recommendations in the section of the Sutherland Report relating to Scotland.

## Chapter 4

### Quality and Standards

*Quality and standards underpin all forms of learning. Learners at all levels and at all stages of their lives should be able to rely on the very best provision, wherever and whatever they study. The Government welcomes the emphasis the Committee has placed on these issues and endorses the Committee's view that the higher education sector as a whole should retain responsibility for the definition and setting of standards, including a thorough reinvigoration of the external examiner system, and especially at the threshold level.*

#### **Recommendations**

22, 23, 24, 25, 26, 69

#### National Qualifications Framework

##### **Recommendation 22:**

*We recommend that the Government, the representative bodies, the Quality Assurance Agency, other awarding bodies and the organisations which oversee them, should endorse immediately the framework for higher education qualifications that we have proposed.*

- 4.1** The Government endorses in principle the recommendation that there should be a national higher education qualifications framework, along with the recommendation of the Garrick report that there should be a parallel framework for Scotland. It will look to the responsible bodies in the higher education sector to agree the detail of the framework, taking the Committee's outline as the starting point. The Quality Assurance Agency, in consultation with interested bodies, will have a central role. The major elements of the framework should be in place by the year 2000. The Government will be asking for regular progress reports.
- 4.2** In the context of lifelong learning and more generally the Government attaches particular importance to two aspects of the framework:
- The need for a national credit accumulation and transfer system in England, to underpin the qualifications framework. More developed systems are already in place in Scotland and Wales. Projects are being funded to help integrate the different

credit-awarding systems in England, while in Wales funding is being made available specifically to improve the linkages between credit accumulation and transfer systems in the further and higher education sectors and in Northern Ireland a regional credit accumulation and transfer system relating to both sectors is being developed.

- The introduction of more “stopping-off points”, separately accredited, during higher education courses. This will enable building blocks of qualifications to be put in place over time so that people will know what particular blocks of learning are worth. Those concerned with developing the higher education framework should work closely with the Qualifications and Curriculum Authorities for England and Wales, the Scottish Qualifications Authority, the Northern Ireland Council for the Curriculum, Examinations and Assessment and the Teacher Training Agency in areas of mutual interest.

## Remit and role of the Quality Assurance Agency

### Recommendation 24:

*We recommend that the representative bodies and Funding Bodies amend the remit of the Quality Assurance Agency to include:*

- *quality assurance and public information;*
- *standards verification;*
- *the maintenance of the qualifications framework;*
- *a requirement that the arrangements for these are encompassed in a code of practice which every institution should be required formally to adopt, by 2001/02, as a condition of public funding.*

- 4.3** The higher education representative bodies have agreed that the Quality Assurance Agency (QAA)'s remit will extend to quality assurance, the provision of public information to students, parents and employers, verifying standards and maintaining the qualifications framework. The Agency intends to develop codes of practice on a number of aspects of quality and standards.

### Recommendation 25:

*We recommend to the Quality Assurance Agency that its early work should include:*

- *to work with institutions to establish small, expert teams to provide benchmark information on standards, in particular threshold standards, operating within the framework of qualifications, and completing the task by 2000;*

- *to work with universities and other degree-awarding institutions to create, within three years, a UK-wide pool of academic staff recognised by the Quality Assurance Agency, from which institutions must select external examiners;*
- *to develop a fair and robust system for complaints relating to educational provision;*
- *to review the arrangements in place for granting degree-awarding powers.*

**4.4** Among the QAA's early priorities will be working with academic subject groups – including employer and other stakeholder representatives – to define standards, including threshold standards, and provide benchmark information. The QAA will also be consulting on plans to create a pool of recognised external examiners, with an extended role in assuring standards. The QAA intends to follow up serious problems over educational provision or standards, though the primary responsibility for acting on individual complaints should continue to rest with the institution concerned. (*See also response to Recommendation 60, Chapter 9, para 9.8.*)

**4.5** The Funding Councils will retain a statutory duty to ensure that public funds are well spent, and that the quality of teaching and learning is maintained and improved. The future quality assurance regime must allow this duty to be discharged, and must provide public information about the quality of teaching and learning to students, employers and other stakeholders. Trials of the new system are due to begin in Scotland and Wales in 1998.

**4.6** The Government agrees that the early work of the QAA should include a review of the arrangements for granting degree-awarding powers. These also have implications for the criteria for awarding university status, which is discussed in the response to *Recommendation 63* (Chapter 9, para 9.11).

### **Recommendation 26:**

*We recommend to the representative bodies and the Funding Bodies that the Board of the Quality Assurance Agency should, as soon as possible, include a student and an international member.*

**4.7** The Government welcomes the intention of the representative bodies and Funding Councils to take action on this recommendation.

**Recommendation 69:**

*We recommend to the Quality Assurance Agency that, as it develops its arrangements, it ensures that these arrangements do not discourage collaboration between institutions.*

- 4.8** The QAA has said that it will ensure that it takes account of the effects of its arrangements on collaboration between institutions, including in developing codes of practice. The Committee's recommendation on collaborative franchising arrangements is addressed below.

## Franchising arrangements

**Recommendation 23:**

*We recommend that:*

- *the Quality Assurance Agency should specify criteria for franchising arrangements;*
- *these criteria should rule out serial franchising, and include a normal presumption that the franchisee should have only one higher education partner;*
- *franchising partners should jointly review and, if necessary, amend existing arrangements to ensure that they meet the criteria, and should both certify to the Agency that arrangements conform with the criteria;*
- *there should be periodic checks by the Agency on the operation of franchise arrangements to verify compliance;*
- *after 2001, no franchising should take place either in the UK or abroad except where compliance with the criteria has been certified by the Quality Assurance Agency.*

- 4.9** The Committee's recommendations here are designed to be an important safeguard for students and for the reputation of UK higher education overseas. The QAA will draw up criteria for franchising and other collaborative arrangements. However, many responses to consultation asked for greater flexibility in allowing franchisees to have more than one HE partner. The QAA may wish to consider, in consultation with the HE and FE sectors, whether circumstances can be defined in which such arrangements would be acceptable without prior approval and provide the safeguards the Committee considered to be needed.

# Chapter 5

## Research

*The Government is committed to maintaining a world class science base. It recognises the strains on the dual support system and has provided extra funding to enable universities to make a start on meeting urgent infrastructure and equipment needs for teaching and research in 1998-99. The position for future years is being considered in the context of the Comprehensive Spending Review.*

### Recommendations

29, 30, 31, 32, 33, 34, 35, 52, 75

### Funding the indirect costs of research

#### Recommendation 34 (part):

*We recommend:*

- *to the Government that, with immediate effect, projects and programmes funded by the Research Councils meet their full indirect costs and the costs of premises and central computing, preferably through the provision of additional resources.*

**5.1** The Government welcomes the analysis by the Committee of the different roles of research and the implications for future funding mechanisms and has noted the wide support for the Committee's conclusion that the dual support system should be maintained and that projects and programmes funded by the Research Councils should meet their full indirect costs and the costs of premises and central computing. The resource implications, which the Committee estimates at around an additional £110m per annum, are being considered in the course of the current Comprehensive Spending Review and the Government will respond to this recommendation in the light of the outcome of that Review. The Government notes that the HE institutional representative bodies, in association with the Higher Education Funding Council for England and the Office of Science and Technology, have initiated a study to obtain evidence of the full indirect costs of Research Council projects and programmes. The HEFCE also intends to obtain extra information from universities and colleges about the use made by them of the indirect costs they recover, as a basis for further discussions. This will draw on the methodology in the recent Funding Councils' costing study led by the Scottish Higher Education Funding Council.

**Recommendation 52:**

*We recommend to institutions that, over the medium term, they develop and implement arrangements which allow staff and external bodies to have access to and understand the true costs of research.*

- 5.2** The Government welcomes the Joint Costing and Pricing Initiative being undertaken by the HE sector and the HE Funding Councils to improve costing and pricing at higher education institutions including the pricing of externally funded research contracts. The Initiative will run over three years starting in 1998-99.

## Research Assessment Exercise, interdisciplinary research and support for scholarship

**Recommendation 33:**

*We recommend to the Funding Bodies that, in the interests of transparency and applying international standards properly, the practice of including one or more international members in all Research Assessment Exercise (RAE) panels, wherever possible, should be introduced to the next RAE.*

**Recommendation 34 (part):**

*We recommend:*

- *to the Funding Bodies that the next Research Assessment Exercise is amended to encourage institutions to make strategic decisions about whether to enter departments for the Exercise or whether to seek a lower level of non-competitive funding to support research and scholarship which underpins teaching.*

- 5.3** On 12 November 1997 the HE funding bodies issued a consultation document on the future of the Research Assessment Exercise (RAE) covering the purposes, principles and scope of the Exercise as well as the process and means for assessing research. The document invited views on the Dearing Committee's recommendation that one or more international members should be included on all panels and on the separate recommendation that institutions should be encouraged to make strategic decisions about whether or not to enter departments for the Exercise. The funding bodies have invited comments by 13 March. Following consideration of the responses, they may issue a more detailed consultation document later this year. Without wishing to preempt the outcome of their consideration of the responses, the Government would like to see a process for assessing the quality of research which enhances quality and innovation and which is open to a greater number of influences than peer review, drawing on research expertise from outside UK universities where this is appropriate and can be done in a cost effective way.

### **Recommendation 32:**

*We recommend that the Funding Bodies and the Research Councils commission a study to evaluate the funding of interdisciplinary research, including the incentives and disincentives. The report should be ready to inform the next Research Assessment Exercise.*

- 5.4** The Government welcomes the discussion that is taking place through the Science and Engineering Base Co-ordinating Committee between the HE funding bodies and the Research Councils on how best to take forward the Committee's recommendation for a study of the funding of interdisciplinary research; and the parallel consideration by the funding bodies of how to assess such work as part of their consultation on the RAE.

## **Research links with industry and Industrial Partnership Fund**

### **Recommendation 30:**

*We recommend that companies should take a strategic view of their relationship with higher education and apply the same level of planning to it that they give to other aspects of their operations.*

- 5.5** Higher education institutions have a good record in developing their research links with industry although, as the Dearing Committee pointed out, there is scope for much greater use by industry of the research capabilities to be found in higher education. The Government supports the Committee's recommendation that companies should take a strategic view of their relationship with HE. To that end the Government will continue to encourage the participation by business and HE in Foresight and the dissemination of best practice to companies and HE institutions.

### **Recommendation 34 (part):**

*We recommend:*

- *to the Government that an Industrial Partnership Development Fund is established immediately to attract matching funds from industry, and to contribute to regional and economic development.*

- 5.6** The Government is aware of concerns at the number of different schemes available, such as CASE, LINK and the Teaching Company Scheme, which can support companies working with universities in taking ideas from the research base towards the market place. The Government has noted the Committee's recommendation for the establishment of an Industrial Partnership Development Fund and is considering, in the context of the Comprehensive Spending Review, how best to ensure that there is a

strong partnership between business and HE institutions that also promotes regional economic development.

## Revolving public/private loan fund to support research infrastructure

### **Recommendation 34 (part):**

*We recommend:*

- *to the Government that it promotes and enables, as soon as possible, the establishment of a revolving loan fund of £400 to £500 million, financed jointly by public and private research sponsors, to support infrastructure in a limited number of top quality research departments which can demonstrate a real need.*

**5.7** The Government shares the widespread concern, reflected in the Committee's report and in the responses to consultation, about the funding of research infrastructure. It has made a start on addressing urgent needs for equipment for teaching and research through the funding made available for 1998-99.

**5.8** The Government welcomes the indication which companies in the private sector have given that they would be willing to continue, and perhaps increase, their joint funding with the public sector of infrastructure projects on a case by case basis, rather than through a loan pool of the kind recommended by the Committee. The Government will pursue with the private sector the scope for strengthening existing infrastructure initiatives, such as the Joint Research Equipment Initiative, which is funded by the HE funding bodies and the Research Councils, with the balance being provided by funds from industry and other sponsors, secured through partnerships established by higher education institutions. The public funding for the current Joint Research Equipment Initiative round has been increased by £13 million, as announced on 13 January 1998.

## Revolving loan schemes based on public funds to fund building improvements and equipment purchases

### **Recommendation 75:**

*We recommend to the Funding Bodies that they should explore the possibility of setting aside some of their total grant, as soon as possible, to establish revolving loan schemes to fund:*

- *projects to refurbish buildings (to improve fitness for purpose) or to undertake large scale long term maintenance projects;*
- *expensive equipment purchases (for teaching or research);*

- *collaborative projects which will facilitate access for staff and students in a region to teaching or research facilities which could not otherwise be provided on a viable basis.*

- 5.9** The Government welcomes the Committee's innovative approach, while recognising that the HE funding bodies will need to test the relative cost-effectiveness of the revolving loan scheme proposed by the Committee against other forms of finance and support schemes.

## Arts and Humanities Research Council

### **Recommendation 29:**

*We recommend to the Government that a new Arts and Humanities Research Council (AHRC) should be established as soon as possible.*

- 5.10** The Government has noted the widespread support from interested organisations for the need for new arrangements for funding arts and humanities research. It is considering the Committee's recommendation for the establishment of an Arts and Humanities Research Council in the context of the Comprehensive Spending Review, taking into account the Committee's view that an additional £25m is needed for arts and humanities research built up over three years. The Government will respond to this recommendation in the light of that Review and bearing in mind, too, the need for primary legislation to establish a new Research Council. It welcomes the decision by the Higher Education Funding Council for England to set aside £8m in 1998/99 for project funding for research in arts and the humanities. This will be administered by a new board set up by the Funding Council with appropriate representation from those in the arts and humanities, including art and design. It will bring funding for staff conducting research in the arts and humanities in England broadly into line with the existing levels in Scotland. Arrangements beyond 1998/99 will be announced in due course.

## Independent advisory body on policy for public funding of research

### **Recommendation 35:**

*We recommend to the Government that it should establish, as soon as possible, a high level independent body to advise the Government on the direction of national policies for the public funding of research in higher education, on the distribution and level of such funding, and on the performance of the public bodies responsible for distributing it.*

- 5.11** The Government is not convinced of the need to establish a new independent advisory body to advise on the direction of national policy on public funding of research in higher

education. The Council for Science and Technology and the Science and Engineering Base Co-ordinating Committee already exist to give advice and co-ordinate policy on public funding of research. The Government wishes to consider further how the working of these bodies might be developed before either adding to their responsibilities or setting up yet another body. Indeed, in publishing on 4 December 1997 the advice from the Council for Science and Technology on research issues arising from the Dearing Committee's report, the President of the Board of Trade announced that she was considering how to revitalise the Council for Science and Technology as a source of advice on science and technology issues.

## Postgraduate research training

### **Recommendation 31:**

*We recommend to institutions of higher education that they should, over the next two years, review their postgraduate research training to ensure that they include, in addition to understanding of a range of research methods and training in appropriate technical skills, the development of professional skills, such as communication, self-management and planning.*

- 5.12** Postgraduate education was the subject of a separate review in 1996-97 (the Harris report). The recommendations of that review are currently being implemented. The Government looks to the institutional representative bodies, the institutions themselves, the Higher Education Funding Councils and the Research Councils to continue to take forward this work and also the recommendation by the Dearing Committee that postgraduate research training should include the development of professional skills, such as communication, self-management and planning.

## Chapter 6

# Higher Education's links to the Economy and Employability

*Higher education has a key contribution to make to competitiveness and prosperity. The Government accepts, and is already taking action on, the Committee's recommendations to enhance HE's economic impact. It is backing this positive response with some £7.8m over the next two years to support national development projects, plus £3m in 1998-99 to promote initiatives at regional and local levels.*

### Recommendations

18, 19, 36, 37, 38, 39, 40

## Links to the Economy

### Recommendation 36:

*We recommend to the Government that institutions of higher education should be represented on the regional bodies which it establishes, and that the Further Education Funding Council regional committees should include a member from higher education.*

- 6.1** The Government published its White Paper on the English Regions on 3 December 1997. This set out arrangements for the new Regional Development Agencies (RDAs). It contained proposals for people from higher education to apply to be represented on the RDA Boards. DfEE is in the process of securing higher education membership on the Regional Committees of the Further Education Funding Council. This will help to tie higher education firmly into the regional economic agenda and so enable it to make a greater strategic contribution.

## Higher Education Regional Development Fund

### Recommendation 37:

*We recommend to the Government that funding should continue to be available after April 1998, when the present provision from the Higher Education Regional Development Fund is due to cease, to support human capital projects which enable higher education to be responsive to the needs of local industry and commerce.*

- 6.2** DfEE will make £3m available in 1998-99 to support the continuation of the Higher Education Regional Development Fund in England. This Fund will continue to support systematic interaction between higher education and business on skills development. It should also help to embed a culture in which higher education and business see themselves as partners in enhancing human capital.

## Links with SMEs

### **Recommendation 38:**

*We recommend to higher education institutions and their representative bodies that they examine, with representatives of industry, ways of giving firms, especially small and medium sized enterprises, easy and co-ordinated access to information about higher education services in their area.*

- 6.3** The Government looks to HE institutions and their representative bodies to follow up this recommendation with representatives of industry, including how to make better use of existing services such as Business Links, which facilitate information on HE services. In Wales action is in hand under the aegis of the Wales Regional Technology Plan: *An Innovation and Technology Strategy for Wales*. Scottish Enterprise's Technology Venture strategy works to increase the number of academic/industry links which result in the commercialisation of science and technology in Scotland; and the CONNECT Forum brings together academia, industry, commerce and the public sector to enhance the prospect of new and start up high tech companies. In Northern Ireland a joint DENI-university marketing project is mapping existing links and identifying potential opportunities for enhancing industry/university links in consultancy, research and knowledge transfer.

## Encouraging entrepreneurship in HE programmes

### **Recommendation 39:**

*We recommend:*

- *to the Government that it considers establishing a modest fund to provide equity funding to institutions to support members of staff or students in taking forward business ideas developed in the institution, and to support the creation of incubator units;*
- *to higher education institutions that they establish more technology incubator units within or close to the institution, within which start-up companies can be fostered for a limited period until they are able to stand alone.*

- 6.4** The Government has acknowledged the need to increase the commercialisation of research and knowledge and already supports various incubator schemes, together with measures designed to ensure that companies once formed survive and grow. The Committee's proposals for equity funding and incubator units are being considered with other options as part of the Comprehensive Spending Review.

**Recommendation 40:**

*We recommend to higher education institutions that they consider the scope for encouraging entrepreneurship through innovative approaches to programme design and through specialist postgraduate programmes.*

- 6.5** Last year DfEE launched the Higher Education and Employment Development Prospectus. This invited bidders from England to submit proposals for development projects in specified areas, including Graduate Business Starts. DfEE is now funding five projects in this area at a total cost of £0.4m. Experience gained from these projects over the next two years should make a significant contribution to promoting entrepreneurship within higher education.

## Links to Employability and Work Experience

**Recommendation 18:**

*We recommend that all institutions should, over the medium term, identify opportunities to increase the extent to which programmes help students to become familiar with work, and help them to reflect on such experience.*

**Recommendation 19:**

*We recommend that the Government, with immediate effect, works with representative employer and professional organisations to encourage employers to offer more work experience opportunities for students.*

- 6.6** The Government agrees with the Committee that enhancing the employability of graduates is a key task for higher education and that work experience can be very valuable in helping students to develop. Whether or not on vocational courses, students should have the opportunity of work placements and the support necessary to reflect on the experience. The DfEE's Higher Education and Employment Development Prospectus invited bids for projects in England to explore how the range of work placements might be increased, and eight initiatives are now being supported at a cost of £1.8m. DfEE is also establishing a national network centre to identify, exchange and disseminate emerging good practice on student work placement issues. The Cymru

Prosper programme is continuing to increase the number of graduates employed by SMEs in Wales.

- 6.7** A number of the recommendations which are covered in Chapter 3 of this response – as regards key skills, clearer programme specifications and recording achievement – will also contribute significantly to improving the employability of graduates. DfEE is supporting national development projects in these and other areas to a total sum of £7.8m over the period 1998-2000 (including the projects in paras 6.5 and 6.6 above). DfEE is also running a series of feasibility studies for "Graduate Apprenticeships". These will involve employers in the design and delivery of integrated programmes of academic study plus work experience to suit the needs of particular industries.

## Chapter 7

# Communications and Information Technology

*Communications and information technology offers opportunities to increase the effectiveness of learning and to provide improved access to higher education. All those concerned with the delivery of higher education have a responsibility to seek to ensure that the benefits of communications and information technology are exploited as fully as possible.*

### Recommendations

9, 27, 28, 41, 42, 43, 44, 45, 46, 53

## C&IT services, charging and copyright

### Recommendation 27:

*We recommend that the Funding Bodies, through the Joint Information Systems Committee (JISC), should continue to manage and fund, on a permanent basis, quality and cost-effective Communications and Information Technology (C&IT) services for researchers and should, in due course, introduce charges for services on a volume-of-usage basis.*

- 7.1** The UK higher education sector is among the most advanced in the world in terms of its network and it is important that it maintains a world class C&IT infrastructure. The Government supports the Committee's recommendation that the funding bodies, through the Joint Information Systems Committee (JISC), should continue to manage and fund, on a permanent basis, quality and cost-effective C&IT services. The Government welcomes the support by JISC for a programme to build on SuperJANET, designed to bring the benefits of a broadband SuperJANET network to a wide range of institutions in the most cost effective way. It welcomes plans by the Funding Councils, in line with the Committee's recommendation, to introduce charging for transatlantic networking from 1998/99 in order to ensure that effective use is made of expensive network resources.

### Recommendation 43:

*We recommend to the Government that it should review existing copyright legislation and consider how it might be amended to facilitate greater ease of use of copyright materials in digital form by teachers and researchers.*

- 7.2** The Government notes the concern that exists about the implications of copyright legislation for use of copyright digital information. It welcomes the current discussions that are taking place between the Publishers' Association and JISC on access to digital copyright material and believes that the key to securing greater ease of use lies in a licensing arrangement between them.

## Protected international bandwidth

### **Recommendation 28:**

*We recommend to the Funding Bodies that the Joint Information Systems Committee (JISC) should be invited to report, within a year, on options to provide sufficient protected international bandwidth to support UK research.*

- 7.3** The Government recognises the importance of improved international access to the research community and welcomes the HE funding bodies' initiative in JISC to investigate this as a matter of priority and to provide costed options to supply protected international bandwidth for the research community. The resource implications of this and other of the Committee's C&IT recommendations which require additional investment are being considered in the current Comprehensive Spending Review.

## Network connectivity

### **Recommendation 44:**

*We recommend to the Government and the Funding Bodies that, to harness and maximise the benefits of Communications and Information Technology, they should secure appropriate network connectivity to all sites of higher education delivery and further education colleges by 1999/2000, and to other relevant bodies over the medium term.*

- 7.4** This recommendation is consistent with JISC's strategy. In England all FE colleges which receive direct funding from the HEFCE are connected to the JANET network. In Wales, all FE institutions are linked to the JANET network. In Scotland there are proposals to connect all FE colleges to a high speed broadband network. The Government notes that the HE funding bodies will be asking JISC to continue to expand the network to relevant communities and, through improved monitoring of its use, to ensure that the network is funded and managed at a level appropriate to the needs of higher education.

**Recommendation 45:**

*We recommend that institutions of higher education, collectively or individually as appropriate, should negotiate reduced tariffs from telecommunications providers on behalf of students as soon as possible.*

- 7.5** The Government welcomes the intention of the institutional representative bodies to take forward this recommendation in consultation with JISC and the Universities and Colleges Information Systems Association.

## CIT strategies and management in HE institutions

**Recommendation 41:**

*We recommend that all higher education institutions in the UK should have in place overarching communications and information strategies by 1999/2000.*

**Recommendation 42:**

*We recommend that all higher education institutions should develop managers who combine a deep understanding of Communications and Information Technology with senior management experience.*

- 7.6** The Government agrees with the Committee that good management is key to the effective use of C&IT. In the interests of ensuring that the most effective use is made of the considerable resources which are devoted to C&IT, institutions need to have in place coherent C&IT strategies. Where they do not already have such strategies in place, the Government hopes they will put them in place as soon as possible. In addition, it agrees that those responsible for the management of HE should have a sound understanding of C&IT. The Government welcomes the HE funding bodies' efforts to promote the development and use of information strategies by providing guidance through JISC's Information Strategies Steering Group.

**Recommendation 53:**

*We recommend that the Committee of Vice-Chancellors and Principals, in collaboration with other institutional representative bodies, reviews the functions of the Universities and Colleges Information Systems Association to ensure that it can promote the implementation of Communications and Information Technology in management information systems.*

- 7.7** The Government welcomes the positive response by the institutional representative bodies to this recommendation.

## Networked Desktop Computers

### **Recommendation 46:**

*We recommend that by 2000/01 higher education institutions should ensure that all students have open access to a Networked Desktop Computer, and expect that by 2005/06 all students will be required to have access to their own portable computer.*

- 7.8** The Government recognises the importance of students having adequate access to Networked Desktop Computers though, as the Dearing Committee acknowledged, the appropriate ratio of students to desktop computers will vary from institution to institution. The Government notes too that students are increasingly equipping themselves with PCs and that the trend towards student ownership of PCs may be expected to continue. The expenditure implications of the Committee's recommendation that all students should have open access to a Networked Desktop Computer by 2000/2001 are being considered in the current Comprehensive Spending Review.

## C&IT in learning and teaching

### **Recommendation 9:**

*We recommend that all institutions should, over the medium term, review the changing role of staff as a result of Communications and Information Technology, and ensure that staff and students receive appropriate training and support to enable them to realise its full potential.*

- 7.9** If the potential of C&IT to enhance learning is to be fully realised, staff and students need to receive appropriate training and support, as the Dearing Committee recommended. The Government welcomes the intention of the HE funding bodies to build on their experience with the Computers in Teaching Initiative and the Teaching and Learning Technology Programme and to consider with the institutional representative bodies how such initiatives can have maximum impact.
- 7.10** The proposed Institute for Learning and Teaching will also have an important role to play in kitemarking and developing good computer-based learning and teaching materials for higher education (*Recommendation 15, see Chapter 3 above*).

- 7.11** As already indicated (Chapter 3, para 3.4), an important way of improving the quality of teaching is to make available more widely the teaching of outstanding teachers, for example on film, video or via broadcasting. The Government intends to invite the Institute for Learning and Teaching in Higher Education, when established, to review the possibilities and consider organising a national scheme.

# Chapter 8

## Staff in Higher Education

*The Government’s long-term aim is that all teachers in higher education should carry a professional qualification. It welcomes the proposed Institute for Learning and Teaching in Higher Education, as an important step towards the achievement of that aim.*

**Recommendations**  
13, 47, 48, 49, 50, 51

### Accreditation of teaching

**Recommendation 13:**

*We recommend that institutions of higher education begin immediately to develop or seek access to programmes for teacher training of their staff, if they do not have them, and that all institutions seek national accreditation of such programmes from the Institute for Learning and Teaching in Higher Education.*

8.1 The Government agrees with this recommendation, as noted in Chapter 3, para 3.3.

**Recommendation 48:**

*We recommend to institutions that, over the medium term, it should become the normal requirement that all new full-time academic staff with teaching responsibilities are required to achieve at least associate membership of the Institute for Learning and Teaching in Higher Education, for the successful completion of probation.*

8.2 Although this is primarily a matter for the institutions providing higher education, the Government supports this recommendation and would also like to see the Institute offer a range of membership or associated membership possibilities, to which all who teach students can aspire. The Government’s long-term aim is to see all teachers in higher education carry a professional qualification, achieved by meeting demanding standards of teaching and supervisory competence through accredited training or experience. It understands that the HE representative bodies are looking at ways of extending accreditation to existing staff, which it welcomes.

## Training and development

### **Recommendation 47:**

*We recommend that, over the next year, all institutions should:*

- *review and update their staff development policies to ensure they address the changing roles of staff;*
- *publish their policies and make them readily available for all staff;*
- *consider whether to seek the Investors in People award.*

- 8.3** The Government welcomes the attention given to ensuring that human resource development strategies are kept up to date, bearing in mind the pace of change and the role which higher education institutions will be expected to play in lifelong learning. It would encourage institutions to follow up the Committee's recommendations, in particular to seek Investors in People status.

## Equal opportunities

### **Recommendation 49:**

*We recommend that all institutions should, as part of their human resources policy, maintain equal opportunities policies, and, over the medium term, should identify and remove barriers which inhibit recruitment and progression for particular groups and monitor and publish their progress towards greater equality of opportunity for all groups.*

- 8.4** The Government supports this recommendation and will encourage the sector to take it forward. The Scottish Higher Education Funding Council has recently published guides to good practice in encouraging greater participation of women in science, engineering and technology (SET). These describe practical means of maintaining participation of women who are interested and trained in SET. The publications have been circulated widely within the Scottish education sector and will be used to inform the policies of higher education institutions. Policies in respect of equal opportunities supported by the legislative framework are well developed in Northern Ireland.

## Pay and conditions of service

### **Recommendation 50:**

*We recommend to the higher education employers that they appoint, after consultation with staff representatives, an independent review committee to report by April 1998 on the framework for determining pay and conditions of service. The Chairman should be appointed on the nomination of the Government.*

- 8.5** Pay and conditions of service in higher education are matters for the higher education employers. The Universities and Colleges Employers Association (UCEA), on behalf of the employers, are taking forward the Committee's recommendation for an independent review committee. UCEA took up the Government's offer to facilitate the selection of Chair and on 15 January announced the appointment of Sir Michael Bett as Chair of the independent review committee. The committee will be formed on a tripartite basis with five higher education employer representatives, five trade union representatives and five independent members.

## Superannuation

### **Recommendation 51:**

*We recommend to the Government, institutions, and the representative bodies of higher education, that, over the long term, the superannuation arrangements for academic staff should be harmonised by directing all new entrants to the Universities Superannuation Scheme.*

- 8.6** This recommendation is under consideration in the current review of the Teachers' Pensions Scheme.

## Chapter 9

# Institutional Governance, Management and Titles

*The Government agrees with the Dearing Committee that the quality and effectiveness of higher education institutions' management and governance is and will continue to be very important, as will their accountability to their public for performance and responsiveness. Further, in the interests of public understanding, there needs to be more clarity and consistency in the use of institutional titles and names.*

### Recommendations

54, 55, 56, 57, 58, 59, 60, 62, 63, 64, 65, 66

## Role, membership, length of office and size of governing bodies

### Recommendation 54:

*We recommend that the Government, together with representative bodies, should, within three years, establish whether the identity of the governing body in each institution is clear and undisputed. Where it is not, the Government should take action to clarify the position, ensuring that the Council is the ultimate decision-making body, and that the Court has a wider representative role, to inform decision-making but not to take decisions.*

- 9.1** The Government agrees that the identity of institutions' governing bodies should be clear and undisputed. It has accepted the Committee of University Chairmen's offer to advise institutions to support the principle of this recommendation and to take action where necessary to resolve lack of clarity over the roles of their Councils and Courts.

### Recommendation 55:

*We recommend to the Government that it takes action so that:*

- *individuals may not serve as members of a governing body for more than two terms, unless they also hold office;*
- *it is a requirement for the governing body at each institution to include student and staff membership and a majority of lay members;*

- *an individual may not chair a governing body for more than two terms of office.*

**9.2** The Government also supports in principle the Committee's proposals to limit governing body Chairmen and Members to a total of two terms of office usually three to four years each; but sees a case for allowing exceptions in more cases than the Committee envisaged.

**9.3** The Government accepts the Committee's suggestion that governing bodies should be required to include staff and student members and a majority of lay members. It is glad that the Committee of University Chairmen is revising its Guide for Members of Governing Bodies accordingly and encouraging institutions to follow this recommendation.

### **Recommendation 56:**

*We recommend that the Government takes the lead, with the Privy Council, in discussions with institutional representatives to introduce, within three years, revised procedures capable of responding more quickly to an institution requesting a change in the size of its governing body. The intention should be to ensure a response within one year.*

**9.4** The Education Departments and the Privy Council Office have discussed ways in which the current process can be streamlined, with the aim of ensuring a response to proposed changes in the size of governing bodies within a year. It might also be possible to look at ways in which a streamlined process could be used for other types of requests from institutions to change governance documents. The Government hopes to make progress on this more quickly than within the three years allowed by the Committee.

## **Performance reviews and codes of practice**

### **Recommendation 57:**

*We recommend that each governing body should systematically review, at least once every five years, with appropriate external assistance and benchmarks:*

- *its own effectiveness and, where there is in excess of 25 members, show good reason why a larger body is needed for its effectiveness;*
- *the arrangements for discharging its obligations to the institution's external constituencies;*
- *all major aspects of the institution's performance, including the participation strategy.*

*The outcomes of the review should be published in an institution's annual report.  
The Funding Bodies should make such a review a condition of public funding.*

### **Recommendation 58:**

*We recommend that, over the medium term, to assist governing bodies in carrying out their systematic reviews Funding Bodies and representative bodies develop appropriate performance indicators and benchmarks for families of institutions with similar characteristics and aspirations.*

### **Recommendation 59:**

*We recommend to the Funding Bodies that they require institutions, as a condition of public funding, to publish annual reports which describe the outcomes of the governing body's review and report on other aspects of compliance with the code of practice on governance.*

- 9.5** These interlocking recommendations are primarily for the higher education sector to take forward. Systematic reviews by governing bodies, at least once every five years, with appropriate external assistance, have the Government's support. The Government welcomes the fact that the Committee of University Chairmen is ready, in a revised version of its useful Guide for Members of Governing Bodies, to recommend such reviews, including of whether larger governing bodies need so many members to be effective. Publication of the outcomes of reviews of size and internal effectiveness is a matter for institutions, but they should at least be made available to the relevant Funding Council.
- 9.6** The reviews recommended are also to cover all major aspects of institutional performance. The Government wishes to encourage development by the funding and representative bodies of appropriate performance indicators and benchmarks which could assist governing bodies to compare their institutions with others. In their grant letters, the Higher Education Funding Councils have been asked to discuss with their sponsor departments ways in which further progress can be made. HEFCE has now set up a working group, including the higher education representative bodies, the Higher Education Statistics Agency and DfEE, to take this forward. Similar arrangements are being made in Scotland.
- 9.7** The Government agrees with the Committee that it is important for higher education institutions not only to review but to publish review outcomes on how they discharge obligations to external constituencies, strategies for widening access and participation, and cost-effectiveness in the use of resources. The Higher Education Funding Councils will be asked to encourage this and to monitor the sector's progress. In this way, the hope is that the issue of making institutional reviews and the publication of their

outcomes a condition of public funding need not arise. The Government will monitor the situation in the period ahead in order to assess whether the Committee's recommendation should be revisited.

## Handling complaints

### **Recommendation 60:**

*We recommend to institutions that, over the next two years, they review and, if necessary, amend their arrangements for handling complaints from students, to ensure that: they reflect the principles of natural justice; they are transparent and timely; they include procedures for reconciliation and arbitration; they include an independent, external element; and they are managed by a senior member of staff.*

- 9.8** The Government regards it as important that, as the Committee recommends, institutions should review their procedures for handling student complaints, and amend them if they do not meet certain criteria, including an independent external element. The Government encourages institutions to take the necessary action in the light of the guidance to be issued shortly by the Committee of Vice-Chancellors and Principals and intends to review, in two years' time, whether sufficient progress has been made.

## Institutional titles

### **Recommendation 62:**

*We recommend to the Government that it takes action as soon as possible to end the scope for a confusion between the title and the name used by institutions, either through clarifying the legal position or by ensuring that conditions can be placed on the flow of public funds so that these go only to those institutions which agree to restrict their use of a name and title to that to which they are legally entitled.*

- 9.9** The Government agrees that the confusion between the official titles of institutions and the names they use to present themselves to the public should be ended. It is misleading to students and damaging to the reputation of the higher education sector. Higher education institutions are urged not to use names to which they are not entitled. If confusion continues, the Government will seek to clarify the law either through the courts or by bringing forward legislative proposals.

### **Recommendation 65:**

*We recommend to the Government that it takes action, either by clarifying the legal position or by ensuring that conditions can be placed on the flow of public funds, to restrict the use of the title 'University College' to those institutions which are in every*

*sense a college which is part of a university under the control of the university's governing body; and to those higher education institutions which have been granted taught degree awarding powers.*

- 9.10** The Government accepts that there is a convincing case for creating a new category of institution to which the title 'university college' can be given. It agrees with the Committee that this title should be available in future not only to those institutions which are in every sense a college which is part of a university under the control of the university's governing body or otherwise full members of a federal university; but also to those higher education institutions which have been granted taught degree awarding powers. Like the Committee, the Government has carefully considered the argument that the university college title should also be available to institutions having a particular relationship with one university, but it is not persuaded that such an extension of the title would be in the interest of public understanding.

## Criteria for awarding university status

### **Recommendation 63:**

*We recommend to the Government that, in the medium term, there is no change to the current criteria for university status; but that, for the future, there should be a period of relative stability in the number of universities with the weight accorded to the numerical criteria reduced and greater emphasis placed on a distinctive role and characteristics in awarding this status; and that the Government should give notice of this.*

- 9.11** The Government agrees that there should be no immediate change to the current criteria for university status, and thinks it right that institutions which already have research degree awarding powers, and apply for a university title within the next three years, should be judged against those criteria. It also agrees that there should then be a period of relative stability in the number of universities. It notes the Committee's concern that elements in the present criteria may have a distorting effect on institutions' behaviour. It intends in the first instance to ask the QAA, in co-operation with the Funding Councils, to review the impact of the present criteria for university status, and in particular whether any criteria have had a distorting effect, and, if so, to advise on how this might be avoided.

**Recommendation 66:**

*We recommend to the Government and the Funding Bodies that there is greater clarity about where responsibility lies for decisions about the establishment of new universities; and that criteria are developed for deciding such cases and allocating public funding.*

- 9.12** The Government will be considering and consulting on criteria for deciding whether an area needs a new university or other higher education institution.

## Removal of degree awarding powers

**Recommendation 64:**

*We recommend to the Government that it takes action, either by amending the powers of the Privy Council or by ensuring that conditions can be placed on the flow of public funds, to enable the removal of degree-awarding powers where the Quality Assurance Agency demonstrates that the power to award degrees has been seriously abused.*

- 9.13** The Government has considered this recommendation carefully and agrees that it is important for speedy and effective action to be taken in the circumstances described. It believes, however, that the new arrangements for safeguarding standards should be put in place and tested and hopes that measures short of the withdrawal of the power to award degrees will be sufficient to safeguard standards.

# Chapter 10

## Funding Higher Education

*The new funding arrangements announced on 23 July 1997 are designed to provide the extra money needed to maintain and improve quality and increase access to higher education. They are based on the principle underlying the Dearing Committee's recommendations that those who benefit from higher education should share the cost, while recognising the need to widen access particularly for students from lower income families.*

### Recommendations

5 (part), 61, 67 (part), 68, 70, 71, 72, 73, 74, 75 (part), 76 (part), 77, 78, 79, 80, 82, 83, 84, 86, 88

### Level of public funding for HE

#### Recommendation 71:

*We recommend to the Government that, over the long term, public spending on higher education should increase with the growth in Gross Domestic Product.*

- 10.1** The Government intends that, over the course of this Parliament, public spending on education should increase as a proportion of national income, as the cost of social and economic failure is reduced. Detailed plans for the longer term, including for higher education, will be announced in the summer as part of the Comprehensive Spending Review. The Government has already shown its commitment to maintaining and improving quality in higher education, as well as expanding access, through the measures announced in the autumn which made available extra funds for higher education in England, Scotland, Wales and Northern Ireland for 1998-99.

#### Recommendation 72:

*We recommend to the Government that it shifts the balance of funding, in a planned way, away from block grant towards a system in which funding follows the student, assessing the impact of each successive shift on institutional behaviour and the control of public expenditure, with a target of distributing at least 60 per cent of total public funding to institutions according to student choice by 2003.*

- 10.2** The Government accepts that a greater proportion of funding for higher education should follow the student. In ending the present system of differential tuition fees, paid

through mandatory awards, the Government has asked the Funding Councils to allocate the additional funds which have been transferred in consequence to Funding Council grant in a way which reflects the effect of the differentiated fee regime of 1997/98 and earlier years. This will mean that more funding follows the student, even though it is paid through Funding Council grant. The main funding formula which is being adopted by the Funding Council for England is also based directly on the number of students enrolled. The Scottish Higher Education Funding Council's funding methodology will automatically take account of the change in the fee regime.

**Recommendation 73:**

*We recommend to the Government that the public funding for higher education institutions should be determined on a rolling three year basis.*

- 10.3** Public funding for higher education has necessarily been announced for just one year (1998-99) pending the outcome of the Comprehensive Spending Review. It is, however, the Education Departments' intention that funding should in future be announced on a rolling three year basis in the same way in which grant to the Funding Council has hitherto been announced for three years, with the second and third years funding necessarily being on an indicative rather than a firm basis.

**Recommendation 74:**

*We recommend to the Government that variations in the level of public funding for teaching, outside modest margins, should occur only where:*

- *there is an approved difference in the provision;*
- *society, through the Secretary of State or his or her agent, concludes, after examining an exceptionally high level of funding, that in relation to other funding needs in higher education, it represents a good use of resources.*

- 10.4** So far as variations in the level of public funding for teaching go, after allowing for differences in subject, the spread of funding by institution in the higher education sector is relatively limited, with a small number of institutions in England at the extremes but most clustered around the median. The Government accepts that, where there are cases of exceptionally high levels of funding, these need to be examined to see whether they represent a good use of resources. It is for that very reason that the HEFCE were asked to advise on the mechanisms for setting future funding for universities and colleges at Oxford and Cambridge, having regard to the points raised by the Dearing Committee and to the Funding Council's new funding method for teaching, which will be based on the principle of a standard price for each of the four broad subject groups. Advice was sought, too, on any implications for the three independent colleges of Durham University, which also receive funding through reimbursement of college

fees. The Government's decision in the light of the Funding Council's advice will be announced shortly.

## Increasing the cost of tuition

### **Recommendation 79:**

*On a balance of considerations, we recommend to the Government that it introduces arrangements for graduates in work to make a flat rate contribution of around 25 per cent of the average cost of higher education tuition, through an income contingent mechanism, and that it ensures that the proportion of tuition costs to be met by the contribution cannot be increased without an independent review and an affirmative resolution of both Houses of Parliament. The contributions made by graduates in work in this way should be reserved for meeting the needs of higher education.*

- 10.5** In its initial response to the Committee's report on 23 July 1997, the Government accepted the Committee's guiding principle that the costs of higher education should be shared between those who benefit. Compared with those without degrees, graduates on average see their earnings rise by as much as £4,000 for every £20,000 of earnings. As graduates benefit, so the Government believes that it is right that they should share the cost.
- 10.6** The Committee recommended that students should pay a tuition fee of £1,000 – a sum which represents around a quarter of the average cost of a course – with the other three quarters being met from public funds. The Government supported this principle. The investment of the nation must be balanced by the commitment of the individual.
- 10.7** The Government has built on the Committee's proposal, together with the proposal for replacing grants by loans in the Labour Party's pre-election policy statement Lifelong Learning. The Committee recommended a flat rate fee; and its preferred option kept support for living costs in its current form. In building on the Committee's proposal, the Government has however built in two safeguards. First, in line with its commitment to secure access to higher education, the Government is determined to ensure free higher education for the least well off. Students from lower-income families who would have been eligible for a maximum maintenance grant under existing arrangements will pay no fee at all. This means that in England and Wales around one in three (in Scotland over 40%) of all students whose parental income is assessed will receive free tuition and another third will not have to pay the full £1,000. Second, additional maintenance loans are being provided in order to ensure that no student, parent or family need be worse off than under the present arrangements. The expected parental contribution towards fees and maintenance will be no more in real terms than the expected contribution to maintenance costs for students at present. The

Government will monitor the impact of the new arrangements on participation in higher education to ensure that its policies for increasing participation and widening access are working.

- 10.8** Students on courses of initial teacher training (other than BEd, BA or BSc degree courses) will continue to receive free tuition, in recognition of the Government's key interest in the supply and effective training of teachers. Special arrangements will apply to students on nursing and midwifery courses, courses leading to qualifications required by professions allied to medicine and to new full-time medical and dental students when they reach their fifth and later years.
- 10.9** The Government accepts the Committee's recommendation that there should be safeguards against increases in the proportion of tuition costs to be met by private contributions. The Teaching and Higher Education Bill currently before Parliament provides that an affirmative resolution of both Houses would be needed before the level of the contribution could be increased above the rate of inflation. The need for Parliamentary approval in this way will provide an important safeguard and the Government does not see the need also for an independent review.

## Student support

### **Recommendation 5 (part):**

*We recommend to the Government that:*

- *it considers the possibility of restoring to full-time students some entitlement to social security benefits, as part of its forthcoming review of the social security system. This review should include consideration of two particular groups in current difficulty, those who temporarily withdraw from higher education due to illness and those with dependent children aged over 16.*

- 10.10** Together with DSS, the DfEE will be considering the position of full-time students who have to take time away from their course because of illness. The position of those with dependent children over the age of 16 will be considered as part of DSS' wider review of social security benefits.
- 10.11** The response to the other part of this recommendation on the doubling of access funds is set out in Chapter 1, para 1.6 above.

### **Recommendation 77:**

*We recommend to the Government that, once the interim bursary scheme expires, it establishes permanent arrangements for the equitable support of students of dance, drama and stage management at institutions which are not in receipt of public funds.*

- 10.12** The Government and the Higher Education Funding Council for England are currently in discussion with the relevant bodies on the development of permanent arrangements for the support of students of dance, drama and stage management at institutions which are not in receipt of public funds, once the interim funding scheme expires.

### **Recommendation 70:**

*We recommend to the Government that it reviews annually the total level of support for student living costs taking into account the movement of both prices and earnings.*

- 10.13** The Government will monitor student finances regularly through surveys and review annually the level of public support for student living costs. The grant and loan rates for 1998/99 have been increased by 3%, which is above the underlying rate of inflation. A new hardship facility has been created for students who face difficulty.

### **Recommendation 76 (part):**

*We recommend to the Government that:*

- *from 1998/99 it should enable institutions to waive tuition fees for part-time students in receipt of Jobseeker's Allowance or certain family benefits;*
- *as part of its forthcoming review of the social security system, it should review the interaction between entitlement to benefits and part-time study, with a view to ensuring that there are no financial disincentives to part-time study by the unemployed or those on low incomes.*

- 10.14** Funding is being made available to the Higher Education Funding Councils for 1998-99 (£2m in England and comparable sums in Scotland, Wales and Northern Ireland) to enable universities and colleges to remit tuition fees for part-time students who lose their job after their course has started.
- 10.15** The Jobseeker's Allowance rules on study by the unemployed will be reviewed in the light of the Workskill Pilots and of early experience of the New Deal. The position of those on low incomes will be considered as part of DSS' wider review of social security benefits.

- 10.16** The response to the last part of this recommendation on extending eligibility for Access Fund payments to part-time students is set out in Chapter 1, para 1.6.

**Recommendation 78:**

*We recommend to the Government that it introduces, by 1998/99, income contingent terms for the payment of any contribution towards living costs or tuition costs sought from graduates in work..*

- 10.17** In announcing proposals for reforming student support in July 1997, the Government accepted in principle that repayment of contributions towards living costs would be on an income-contingent basis. However, contributions to tuition costs, assessed in relation to the student's own income and the parental or spouse's income, would be paid up-front. The Government subsequently announced in November 1997 that repayments of contributions to living costs would be collected through the Inland Revenue. This will ensure that there is a genuinely income-contingent scheme. Graduates will begin repaying once their annual income reaches £10,000 and repayments will be linked directly to income on a month-by-month basis thereafter. Repayments will be suspended if annual income falls below £10,000 at any time.

**Recommendation 80:**

*We recommend to the Government that it looks urgently at alternative and internationally accepted approaches to national accounting which do not treat the repayable part of loans in the same way as grants to students.*

- 10.18** The treatment of student loans for public expenditure purposes is being looked at by HM Treasury in the context of the Comprehensive Spending Review.

**Recommendation 82:**

*We recommend to the Government that the Inland Revenue should be used as the principal route for the collection of income contingent contributions from graduates in work, on behalf of the Student Loans Company.*

- 10.19** The Government's acceptance of this recommendation that collection of loan repayments should be through the Inland Revenue was announced in November 1997. The necessary legal provisions are in the Teaching and Higher Education Bill currently before Parliament. Collection of loan repayments through the Inland Revenue offers graduates the simplest and most efficient system of collection while reducing the risk of defaults. In practical terms it enables the new scheme to be genuinely income-contingent and thus fair. Details of how the scheme is to operate are being worked out with the Inland Revenue and will be made known at the earliest opportunity.

### **Recommendation 83:**

*We recommend to the Government that it establishes, as soon as possible, a unified Student Support Agency with responsibility for:*

- *assessing the eligibility of individuals for various kinds of public support;*
- *administering graduate contributions on an income contingent basis;*
- *means testing and paying grants for students' living costs.*

- 10.20** The Government announced in January 1998 its intention to look in more detail at options for administering the student support system including the option of a Single Student Support Agency for England and Wales. (A single Agency already exists in Scotland.) As the Dearing Committee quite rightly recognised, the priority in the next couple of years must be to bed down the new arrangements for income-contingent graduate contributions. A review of options will be completed in 2000. In the meantime a new system of rigorous performance standards will be agreed with Local Education Authorities to ensure the effective delivery of the service. LEAs and the Student Loans Company will therefore have key roles to play for at least the whole of this Parliament.

## **Institutional funding through the funding bodies**

### **Recommendation 61:**

*We recommend to the Government and the Funding Bodies that diversity of institutional mission, consistent with high quality delivery and the responsible exercise of institutional autonomy, should continue to be an important element of the United Kingdom's higher education system; and that this should be reflected in the funding arrangements for institutions.*

- 10.21** The Government welcomes the Funding Councils' intention to ensure that their funding arrangements continue to support diversity of institutional mission which, as the Committee recognised, is one of the sources of strength of the UK's higher education system.

### **Recommendation 67 (part):**

*We recommend to the Government and the Funding Bodies that, in the medium term, priority in growth in sub-degree provision should be accorded to further education colleges; and that, wherever possible:*

- *higher education provision in further education colleges should be funded directly.*

**Recommendation 86:**

*We recommend to the Government that the division of responsibility between the further and higher education Funding Bodies in England and Wales should be such that the higher education Funding Bodies are responsible for funding all provision defined as higher education.*

- 10.22** The Government agrees that in England and Wales the funding of all provision defined as higher education – including higher education in further education colleges – should be the responsibility of the higher education funding bodies as regards Higher National Diplomas and Certificates. In England, discussions are taking place with the Higher and Further Education Funding Councils with a view to implementation in 1999/2000. These discussions will also consider whether there is a case to transfer the funding in respect of courses leading to any other higher level qualifications. All higher education in Wales is currently funded through the Higher Education Funding Council for Wales. In Scotland the Government has decided that the proposed Further Education Funding Council will fund all provision in further education colleges and that the Scottish Higher Education Funding Council will continue to fund all provision in higher education institutions. In Northern Ireland the Government will undertake further consultation with the sectors.

**Recommendation 68:**

*We recommend to the Funding Bodies and the Research Councils that they review their mainstream teaching and research funding arrangements to ensure they do not discourage collaboration between institutions; and that, where appropriate, they encourage collaboration. We recommend to the Funding Bodies that they be prepared to use their funds on a revolving basis, bringing forward and offsetting annual allocations in support of collaboration which has a strong educational and financial rationale.*

- 10.23** The Government supports the Committee's recommendation that increased collaboration between institutions should be encouraged and welcomes the HE funding bodies' intention to review a range of funding arrangements to address this recommendation in discussion with the sector's representative bodies and other funders such as the FE funding bodies, the Research Councils and the Teacher Training Agency. The Government looks to the HE funding bodies to consider the scope for the development of revolving funds, as recommended by the Committee, to support collaboration along with other mechanisms.

### **Recommendation 75 (part):**

*We recommend to the Funding Bodies that they should explore the possibility of setting aside some of their total grant, as soon as possible, to establish revolving loan fund schemes to fund:*

- *collaborative projects which will facilitate access for staff and students in a region to teaching or research facilities which could not otherwise be provided on a viable basis.*

- 10.24** The Committee's recommendation that the Funding Bodies should establish revolving loan schemes to fund projects to refurbish buildings, expensive equipment purchases and collaborative projects was addressed in Chapter 5, para 5.9 above.

### **Recommendation 84:**

*We recommend to the Government that the tradition of institutional separation from national and sub-national levels of government is firmly maintained; and that this principle is extended to Northern Ireland.*

- 10.25** The present funding arrangements for higher education embody the principle of institutional separation from national levels of government. That principle was endorsed in the Cabinet Office's consultation paper, issued in November 1997, entitled Opening up Quangos, which identified a number of Government functions, including the funding of universities and colleges, which need to be carried out at arm's length from Ministers within a general framework laid down by Ministers. The Committee's recommendation relating to Northern Ireland is addressed in the response to Recommendation 93, Chapter 11, para 11.8 below.

## **Independent advisory committee**

### **Recommendation 88:**

*We recommend to the Government that, in five years' time and subsequently every ten years, it constitutes a UK-wide independent advisory committee with the task of assessing the state of higher education; advising the Government on its financing and on ways in which, in future years, it can best respond to national needs; on any action that may be needed to safeguard the character and autonomy of institutions; and, in particular, on any changes required in the level of student support and contributions from graduates in employment.*

- 10.26** The Government will keep in mind this recommendation.

# Chapter 11

## Scotland and Northern Ireland

*The recommendations of the Scottish (Garrick) Committee are the subject of a separate, parallel, Government response.*

*The Government fully supports the development of a strong regional role by higher education institutions in Northern Ireland and is exploring further the merits of establishing a funding council or councils in Northern Ireland, and the concept of a Tertiary Education Forum.*

**Recommendations**  
81, 89, 90, 91, 92, 93

### Scotland

#### Garrick Report

**11.1** The Government has published today a separate response to the recommendations of the Scottish (Garrick) Committee.

**Recommendation 81:**

*We recommend to the Government that Scottish students who have had only one year's education after statutory schooling, many of whom under current arrangements would choose to take a four year honours degree, should not make a tuition contribution for one of their years in higher education. Beyond that, this would be a matter for consideration by the Secretary of State for Scotland.*

**11.2** The Government announced in October 1997 that the fourth year tuition fee will be waived for Scottish domiciled students who intend to undertake a four year honours degree course at a Scottish higher education institution. This is designed to maintain equity between Scottish students gaining qualifications at Scottish institutions and those achieving a comparable qualification over three years elsewhere in the UK. The longer honours courses in Scotland reflect the distinct education system in Scotland.

## Northern Ireland

- 11.3** When consulting in Northern Ireland on the full range of the Dearing Committee's recommendations, the Minister with responsibility for education in Northern Ireland sought views in particular on the recommendations directed specifically to Northern Ireland. In addition, the Department for Education in Northern Ireland (DENI), in conjunction with the Northern Ireland Higher Education Council (NIHEC), held a consultative conference to complement the written consultation. This provided a further opportunity for the sector and others to let the Minister know their views at first hand.

### **Recommendation 89:**

*We recommend that higher education institutions in Northern Ireland, in close collaboration with all the relevant external players, steadily enhance their regional role, taking full advantage of the special potential for the development of strong regional networks.*

- 11.4** The Government fully supports this recommendation. The development of this role is recognised by the Northern Ireland universities and is embedded in their corporate plans. A joint DENI/Universities Marketing Research Study is nearing completion. This identifies the scope for development of collaborative activity with companies in particular sectors of the economy. Its findings will be taken forward in conjunction with the Northern Ireland Growth Challenge and other representative bodies. More generally, steps will be taken to optimise the potential for the development of strong regional networks.

### **Recommendation 90:**

*We recommend to the Government that options be examined for substantially increasing the number of higher education places in Northern Ireland in a cost-effective way which involves no compromise in quality and standards.*

- 11.5** The Government will consider the case for increasing the number of higher education places in Northern Ireland in the context of the Comprehensive Spending Review. Northern Ireland already has a relatively high level of participation in third level education, but a large proportion of young people have to seek places outside the country. Therefore there may be a less pressing need for a further increase in participation to fulfil the Government's commitment to expand access generally; if so there may be scope for applying resources anticipated to become available for this over the longer term to provide additional domestic places in Northern Ireland. The Government is clear that any such provision must be cost effective, building on existing quality and standards.

### **Recommendation 91:**

*We recommend to the Government and institutions that consideration be given to adopting the Dearing 16-19 year olds option as one of the bases for entrance to universities in Northern Ireland.*

- 11.6** The Committee's recommendation on National Certificates and the National Advanced Diploma has been overtaken by the Government's proposals for an overarching certificate which will include advanced level achievements across all pathways, encourage breadth of attainment, including Key Skills, and require attainment in depth. The proposal is that this certificate should be attainable by most learners at advanced level, but at the same time encourage high levels of achievement. The Government's proposals have been the subject of full public consultation in Northern Ireland, England and Wales, in the wider context of the future of post-16 qualifications, in its document "Qualifying for Success". One of the questions this document asked was whether there is support from HE and employers for the certificate and, if so, how they would actively support and encourage people to gain it. The consultation period ended on 18 December 1997. Decisions will be announced in the spring.

### **Recommendation 92:**

*We recommend to the Government that the scale and nature of funding for research in Northern Ireland universities should be assessed afresh in the context of the Province's strategy for economic development and of the recommendations in Chapter 11.*

- 11.7** The scale and nature of funding for research in Northern Ireland universities as it impacts upon Northern Ireland's strategy for economic development is being reviewed by an inter-Departmental Group, whose work will inform the outcome of the Comprehensive Spending Review.

### **Recommendation 93:**

*We recommend to the Government that there be constituted in Northern Ireland a Tertiary Education Forum, a Higher Education Funding Council and a Further Education Funding Council.*

- 11.8** The Government is exploring further the merits of establishing a funding council or councils in Northern Ireland, and the concept of a Tertiary Education Forum. It is currently considering the possible models which could best fulfil the concept, taking account of the scale of provision in Northern Ireland and experience of the systems in operation elsewhere in the UK, and in due course will consult the sector on a preferred way forward.

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